

JEFF FORTENBERRY

1ST DISTRICT, NEBRASKA

COMMITTEE ON APPROPRIATIONS  
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AGRICULTURE, RURAL DEVELOPMENT,  
FOOD AND DRUG ADMINISTRATION  
AND RELATED AGENCIES  
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STATE, FOREIGN OPERATIONS,  
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Congress of the United States  
House of Representatives

February 4, 2021

WASHINGTON OFFICE:  
1514 LONGWORTH HOUSE OFFICE BUILDING  
WASHINGTON, DC 20515  
(202) 225-4806

LINCOLN OFFICE:  
301 SOUTH 13TH STREET, SUITE 100  
LINCOLN, NE 68508  
(402) 438-1598

FREMONT OFFICE:  
641 NORTH BROAD STREET  
FREMONT, NE 68026

NORFOLK OFFICE:  
506 WEST MADISON AVENUE, SUITE 2  
NORFOLK, NE 68701  
(402) 379-2064

[www.fortenberry.house.gov](http://www.fortenberry.house.gov)

Ms. Tami Perriello  
Acting Administrator  
U.S. Small Business Administration  
409 3rd Street Southwest  
Washington, DC 20416-0011

Dear Acting Administrator Perriello:

Congress created the Shuttered Venue Operator Grant (SVOG) Program as part of the *Consolidated FY21 Appropriations Act* to ensure that live entertainment venues hit hardest by COVID-19 shutdowns receive the federal assistance they need to survive the pandemic and continue to serve their communities.

Although, the U.S. Small Business Administration (SBA) has not yet released the application or detailed information on eligibility requirements for the SVOG, I have heard from venues located on college and university campuses that there is some confusion over the interpretation of section 324 of the Consolidated FY21 Appropriations Act as it relates to their eligibility for the program.

Section 324 includes language that prohibits entities receiving over 10% of gross revenues from the federal government from qualifying for the program. Most colleges and universities receive more than 10% of their gross revenues from a mix of federal assistance, including student financial aid and science and research grants. However, most live entertainment venues on college campuses operate independently of the colleges with which they are associated and are responsible for securing the vast majority of their individual sources of funds. In other words, federal assistance provided to the college or university does not flow down to the performing arts venues. Most university performing arts centers receive less than 1% of their budget from federal funds.

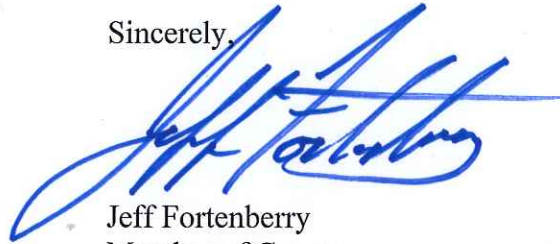
The SBA on January 27 published a set of Frequently Asked Questions (FAQs) that were helpful to understand eligibility for the SVOG program. FAQ number five under *Live Venue Operator or Promoter* clarifies that a performing arts center owned and operated by a government, state college (as a college department) is eligible to apply. However, the FAQ does not specifically address the prohibition on entities that receive more than 10% of funding from the federal government.

I write today because we believe that campus venues should not be disqualified because their host institutions receive federal funding if the federal funds do not flow to the venue and amount to 10% of the particular venue's gross revenue. I ask that you issue additional guidance clarifying this matter so that no college or university venue that otherwise meets the SVOG criteria is deterred from seeking this important federal assistance.

Performing Arts Centers on college and university campuses often serve as the bedrock of economic activity in both large and small towns across America. From barbershops to local restaurants, many centers are responsible for driving revenues to independent locally owned businesses. In addition, many Performing Arts Centers have been temporarily repurposed to serve in the frontlines in direct response to the current pandemic for testing and vaccination sites. They need our assistance to continue serving their communities.

Thank you in advance for considering this request.

Sincerely,

A handwritten signature in blue ink, appearing to read "Jeff Fortenberry", with a large, sweeping flourish extending from the end of the signature.

Jeff Fortenberry  
Member of Congress